

**A RESOLUTION
BY TRANSPORTATION COMMITTEE**

07-*R*-1697

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE, AS DEEMED APPROPRIATE BY THE CITY ATTORNEY, AN AMENDMENT TO THE AMENDED AND RESTATED LEASE AGREEMENT BETWEEN THE CITY AND DELTA AIR LINES, OR ANY OTHER DOCUMENT NECESSARY TO CONSUMMATE THE TRANSACTION, SETTING FORTH THE PARTIES RIGHTS AND OBLIGATIONS CONCERNING DELTA AIR LINES' TREATMENT OF WASTEWATER AT DELTA'S TECHNICAL OPERATIONS CENTER LOCATED AT THE HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT; AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta ("City") and Delta Air Lines, ("Delta"), are parties to an Amended and Restated Lease Agreement, dated December 1, 1989, under which Delta leases its Technical Operations Center ("TOC"), which serves as Delta's primary aircraft maintenance facility at Hartsfield-Jackson Atlanta International Airport (HJAIA) from the City; and

WHEREAS, Delta currently operates a wastewater treatment plant at the TOC which performs parts washing and related functions resulting in wastewater streams requiring treatment before discharge into the City's wastewater system; and

WHEREAS, as a result of excess capacity in Delta's wastewater treatment plant, Delta desires to pursue additional revenue opportunities by providing wastewater treatment for non-Delta waste streams, such as municipal landfill wastewater and other Airport-related operations such as aircraft washing, parts washing and ramp scrubbing; and

WHEREAS, Delta proposes to share with the City a percentage (10%) of its revenues in treating such third-party wastewater; and

WHEREAS, the Department of Watershed Management (DWM) has evaluated Delta's request and its wastewater plant operation and has granted approval under Wastewater Discharge Permit # F30002 for Centralized Waste Treatment effective April 30, 2007; and

WHEREAS, the City and Delta desire to enter into an appropriate contractual agreement to consummate this transaction; and

Part II: Legislative White Paper: (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:

Committee of Purview:

Caption:

Council Meeting Date:

Requesting Dept.:

FAC Confirmed by:

B. To be completed by the department:

1. Please provide a summary of the purpose of this legislation (Justification Statement).

Example: The purpose of this legislation is to anticipate funds from a local assistance grant to purchase child safety seats.

Delta operates a wastewater treatment plant at its Technical Operations Center ("TOC") to treat Delta's wastewater streams resulting from parts washing and related functions. Owing to excess capacity at its plant, Delta is requesting permission to treat external waste streams from non-Airport (municipal landfills outside the City limits) and potential future Airport-related (ramp-scrubbing and aircraft washing for contractors and airlines other than Delta) sources.

Delta has agreed to payment of a 10% opportunity fee (10% of the gross revenues resulting from treatment of non-Delta wastewater streams) in order to transact this business upon airport premises. This 10% fee is consistent with the revised airport goal for opportunity fees (which are gradually being phased into Department of Aviation operating permits and are already contained in the rental car agreement) and meets or exceeds the industry standard of 7-10% seen at other airports.

This Legislation will authorize the Mayor or her Designee to execute appropriate documents (Letter Agreement or an Amendment to the existing Lease Agreement) in order to consent to and approve this expansion to Delta's operations and to accept the payment to the City of the 10% opportunity fee.

2. Please provide background information regarding this legislation.

Example: The task force of homelessness conducted a study regarding homelessness, its impact and consequences on the City. This resolution reflects the Mayor's desire to open a twenty-four hour center that will respond to the needs of the homelessness in Atlanta.

The Department of Watershed Management (DWM) has reviewed and authorized this request, under the Delta Air Lines, Inc. Wastewater Discharge Permit # F30002 for Centralized Waste Treatment, effective April 30, 2007. The landfill streams have been approved in this permit, however additional waste streams (such as non-Delta Airport-related streams) must be presented to DWM for approval prior to treatment..

3. If Applicable/Known:

- (a) **Contract Type (e.g. Professional Services, Construction Agreement, etc):**
- (b) **Source Selection:**
- (c) **Bids/Proposals Due:**
- (d) **Invitations Issued:**
- (e) **Number of Bids:**
- (f) **Proposals Received:**
- (g) **Bidders/Proponents:**
- (h) **Term of Contract:**

4. Fund Account Center (Ex. Name and number): 2H01 462393 B00001

Fund: _____ **Account:** _____ **Center:** _____

5. Source of Funds: *Example: Local Assistance Grant* Revenue

6. Fiscal Impact: This legislation will provide positive fiscal impact due to the generation of additional revenues. The City's share of revenues is projected at approximately \$75,000 during the initial full year of operations.

Example: This legislation will result in a reduction in the amount of _____ to Fund Account Center Number _____.

7. Method of Cost Recovery: N/A.

Examples:

- a. Revenues generated from the permits required under this legislation will be used to fund the personnel needed to carry out the permitting process.*
- b. Money obtained from a local assistance grant will be used to cover the costs of this Summer Food Program.*

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: GREG PRIDGEON

Dept.'s Legislative Liaison: Anita Williams

Contact Number: 404-530-6600

Originating Department: Aviation

Committee(s) of Purview: Transportation

Chief of Staff Deadline: 8/13/07

Anticipated Committee Meeting Date(s): 8/29/07

Anticipated Full Council Date: 9/04/07

Commissioner Signature: Ned. [Signature]

CAPTION

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE, AS DEEMED APPROPRIATE BY THE CITY ATTORNEY, AN AMENDMENT TO THE AMENDED AND RESTATED LEASE AGREEMENT BETWEEN THE CITY AND DELTA AIR LINES, OR ANY OTHER DOCUMENT NECESSARY TO CONSUMMATE THE TRANSACTION, SETTING FORTH THE PARTIES RIGHTS AND OBLIGATIONS CONCERNING DELTA AIR LINES' TREATMENT OF WASTEWATER AT DELTA'S TECHNICAL OPERATIONS CENTER LOCATED AT THE HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT; AND FOR OTHER PURPOSES.

FINANCIAL IMPACT (if any)

Mayor's Staff Only

Received by CPO: _____ (date) Received by LC from CPO: _____ (date)

Received by Mayor's Office: 8/14/07 [Signature] (date) Reviewed by: PM 8/15/07 (date)

Submitted to Council: _____ (date)